



M E D I A R E L E A S E

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

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STATE OF TENNESSEE SECURITIES DIVISION WARNS INVESTORS TO BEWARE OF PHONY REGULATORS

Foreign investors getting a bad deal, in any language

Nashville, TN – Want to check out a hot stock tip before you invest? Always make sure you aren't getting bad advice from con artists posing as regulators, warns the Securities Division of the State of Tennessee Department of Commerce and Insurance.

Several fake "regulators" have been brought to the attention of Tennessee securities regulators. One of these so-called regulators, The International Compliance Commission, uses a Tennessee address. The Securities Division of the Department of Commerce is the statutorily authorized securities regulator for the state of Tennessee.

"Our securities markets are known around the world for being among the safest and most fair, due in no small part to the rigorous and efficient regulatory systems in place here," said Daphne Smith, Assistant Commissioner for the Securities Division. "Con artists are trying to cash in on our good name abroad to lure unsuspecting investors into risky penny stocks and advance fee schemes."

Top 5 Signs That You Are Dealing with A Fake Regulator:

- 1. You cannot find references to them on any other regulatory websites.** If you can't find information about the "regulator" on the site of the International Organization of Securities Commissions, www.iosco.org, they probably are not a legitimate regulator.
- 2. They endorse or approve any investment opportunity, stock, or company.** Legitimate regulators are not in the business of promoting any deal, only enforcing securities laws and ensuring fair dealing.
- 3. They say that paying a fee to "release restricted shares" is anything other than an attempt to steal your savings.** This is a common ploy, and a recent twist on age-old advance fee schemes.
- 4. Little or no information about the "regulator" appears in Internet search engines.** Any legitimate regulator should generate hundreds of entries in any Internet search engine.
- 5. If you talk to other regulators, and they say they have "never heard of them,"** you are most likely dealing with a fake regulator.

The Securities Division urges investors to investigate before they invest. Call 615-741-2947 to check the registration of anyone who offers to sell you an investment.

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